



**Testimony
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Connecticut Council of Small Towns
Before the Finance, Revenue & Bonding Committee
April 6, 2015**

RE: SB-947, AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES

The Connecticut Council of Small Towns (COST) supports **SB-947** and applauds Governor Malloy's continued investment in local infrastructure and economic development, which are critical to Connecticut's economic vitality and quality of life. Over the last few years, the state has made important strides in funding programs to improve local roads and bridges, spur economic and community development, upgrade water and wastewater infrastructure and preserve open space lands. **SB-947** continues support for these critical infrastructure programs, including:

➤ **Town Aid Road Program**

COST supports the provisions in SB-947 which maintain funding of \$60 million per year for the Town Aid Road program. Well-maintained roads and bridges provide small towns with a strong foundation for supporting economic development and protecting public safety. Municipalities currently own and maintain an estimated 17,115 road miles, more than four times the road miles owned and maintained by the State of Connecticut. Traffic congestion on state highways and increased use of the local road and bridge network has resulted in a greater need for improvement and repairs to local roads and bridges. Insufficient funding forces towns to defer making needed improvements and repairs to local roads. This deferred maintenance results in significantly higher repair costs.

➤ **Local Bridge Program**

COST supports provisions in SB-947 which maintain funding of \$10 million per year for the Local Bridge program, which was reactivated in 2013. Towns and cities in Connecticut are responsible for maintaining more than 3,400 bridges and culverts. Recognizing the huge costs associated



with constructing and maintaining bridges, the legislature created the Local Bridge program in 1984. However, funding for the program was eliminated in 2009 to help address the state's budget deficit. According to an analysis prepared by the Capitol Region Council of Governments (CRCOG), over a third of Connecticut municipal bridges are considered either structurally deficient or functionally obsolete. We therefore urge your support for maintaining this once-robust program.

➤ **Small Town Economic Assistance Program**

COST supports provisions in SB-947 which provide level funding of \$20 million per year for the Small Town Economic Assistance Program (STEAP). Recognizing that Connecticut's suburban and rural towns – communities under 30,000 in population - play a vital role in the state's economic, social and cultural well-being, COST spearheaded efforts to encourage lawmakers to establish STEAP in 2002 to provide small towns with assistance to support economic development and infrastructure projects. We urge continued support for this program.

➤ **Local Capital Improvement Program**

COST supports continued level funding of the Local Capital Improvement Program (LoCIP) at \$30 million per year. This is a valuable program that assists communities in moving forward with critical infrastructure projects.

➤ **Green Municipal Infrastructure & Open Space**

COST supports efforts to assist municipalities in addressing nonpoint source pollution to improve water quality and protect ecological habitats. We also support continued funding for the Open Space Grant program, which has assisted municipalities and other organizations in preserving and protecting vast tracts of open space land for future generations. Programs such as these are much more effective in improving water quality than imposing prescriptive requirements on municipalities, such as those included in the state Department of Energy & Environmental Protection's proposed MS4 General Permit, which will divert resources away from practical approaches to addressing water quality issues in favor of cumbersome reporting and testing mandates.



➤ **Clean Water Funding**

COST continues to support efforts to assist towns in fulfilling their obligation to make needed improvements to sewers and other clean water projects. Many municipalities are faced with staggering costs associated with state-mandated and federally-mandated (1) water pollution control projects (including waste water treatment projects, nutrient (nitrogen and phosphorus) removal and resource restoration projects to protect the Long Island Sound) and (2) drinking water projects.

For example, several towns in Connecticut are facing multi-million dollar wastewater treatment plant upgrades in order to comply with state and federal phosphorus reduction goals intended to benefit the state as a whole. This imposes a disproportionate burden on certain communities whose plants discharge into non-tidal surface waters to meet statewide environmental goals.

Recognizing this concern, the General Assembly adopted Public Act 13-239 which increases from 30% to 50% the amount certain towns are eligible to receive for phosphorus reduction projects under the Clean Water Fund grant program. However, the language of the act includes certain restrictions, such as a July 1, 2018 contract date and .2ml threshold that have prevented municipalities from being deemed eligible for such funds based on conditions that are beyond their control.

Unfortunately, HB-5291, which was intended to address these concerns, reduces the grant amounts from 50% to 35% across the board, penalizing communities that were planning on moving forward with phosphorus reduction projects based on the 50% reimbursement rate.

COST urges lawmakers to maintain funding for the Clean Water Fund and to reinstate the 50% reimbursement percentage for municipalities required to meet statewide phosphorus reduction goals.

COST is an advocacy organization committed to giving small towns a strong voice in the legislative process. Its members are Connecticut towns with populations of less than 30,000. COST champions the major policy needs and concerns of Connecticut's suburban and rural towns.